

Below are several pieces of e-news.
Enjoy!!!
Ken

2001 NASIRE Midyear Conference Austin, Texas, May 6-8
HIPAAlive - Legal Counsel & HIPAA Scope
CHA News Vol. 34 No. 13 March 30, 2001
[hipaalive] TCS: Payer opening doors - CLEARINGHOUSE CHARGES
[hipaalert] H I P A A L E R T - l i t e April 2, 2001

***** 2001 NASIRE Midyear Conference Austin, Texas, May 6-8

2001 NASIRE Midyear Conference, in Austin, Texas at the Hyatt Regency Austin,
May 6-8, 2001,

see www.nasire.org for details

Discussion Topics to Include: Digital Government, Component Sharing
HIPAA, Public and Private Sector Roundtables and more!

***** HIPAAlive - Legal Counsel & HIPAA Scope *****
>>> Kenneth.Fody@ibx.com 04/02/01 09:36AM >>>
*** This is HIPAAlive! From Phoenix Health Systems ***

Eve-Lynn:

In order to answer your question, one has to ask another question -- what is the purpose of the transmission of enrollment data between the insurer (a covered entity) and the PBM (a business associate).

If the transmission is for the purpose of establishing insurance coverage, then the transmission is subject to HIPAA. If the transmission is for any other purpose (e.g. enabling the business associate to administer processes on your behalf) then the transmission is not subject to HIPAA.

You have to work with your legal counsel to determine when insurance coverage of prescription drugs begins -- is it when your company, the insurer receives the data that you are obligated to pay benefits or is it when the PBM receives the data. You need to speak to legal counsel because it is a legal question as to when you are contractually obligated.

You can do a similar analysis with every other transaction because the regulations specifically define when they apply -- e.g. for what purpose and between whom it must be sent. You'll find that you can narrow the scope of HIPAA through such an analysis.

Ken Fody

Independence Blue Cross

***** CHA News Vol. 34 No. 13 March 30, 2001 *****

>>> Anne Powell <apowell2@uclink4.berkeley.edu> 04/01/01 12:17PM >>>

Hi Ken,

The item below is from the California Healthcare Association's March 30th "CHA News".

Anne

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>Thompson Indicates Changes to HIPAA Privacy Rule Likely

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>In response to pleas from the American Hospital Association, as well as
>CHA and numerous health care provider and payer groups, Department of
>Health and Human Services (DHHS) Secretary Tommy Thompson said he is
>likely to make changes to the Health Insurance Portability and
>Accountability Act (HIPAA) federal privacy rule.

>

>"I am fairly certain, without saying for sure, that there will be
>modifications to simplify and lessen the financial burden" of the privacy
>rule, said Thompson, who indicated he will make his decision by the end of
>April.

>

>Thompson reopened the final privacy rule for public comment between March
>1 and March 30.

>

>CHA sent letters this week to California's congressional delegation,
>asking them to contact Thompson and encourage his support of CHA's
>position regarding the privacy rule. CHA's comments can be found on CHA's
>members-only website, CHA Interactive, at

><<http://www.calhealth.org/>>www.calhealth.org.

>

>The privacy rule, issued by President Clinton Dec. 28, is extremely broad,
>covering both the use and disclosure of medical information, whether in
>written, electronic or oral form. The rule imposes staggering new
>administrative burdens on health care providers. The text of the
>regulation can be found at

><<http://aspe.os.dhhs.gov/admnsimp>><http://aspe.os.dhhs.gov/admnsimp>.

>Contact: Lois Richardson, (916) 552-7611,

><<mailto:lrichardson@calhealth.org?subject=RE:Thompson%20Indicates%20Changes%20to%20HIPAA%20Privacy%20Rule%20Likely/CHA%20News%20Mar.%2030,%202001>>lrichardson@calhealth.org.

***** [hipaalive] TCS: Payer opening doors - CLEARINGHOUSE
CHARGES *****

>>> mjackson@outlookassoc.com 03/30/01 10:05AM >>>

*** This is HIPAAlive! From Phoenix Health Systems ***

Lisa -

I recently completed a survey of 20 clearinghouses including the one mentioned below. In almost every case, including the one mentioned below, there was a significant fee to the provider. Those that did not charge a transaction fee charged a flat fee per month or an annual fee. Only one organization had a true free service with absolutely no cost to the submitter, however, its services were exclusively related to healthcare encounters. No claims.

From the final rules:

Page 50369, § 162.923 Requirements for covered entities... A health plan that operates as a health care clearinghouse, or requires an entity to use a health care clearinghouse to receive, process, or transmit a standard transaction may not charge fees or costs in excess of the fees or costs for normal telecommunications that the entity incurs when it directly transmits, or receives, a standard transaction to, or from, a health plan.

This does not prevent any entity from charging a provider, rather it allows a provider to exchange standard transaction directly with a payer or the payers designated translator (clearinghouse) at no charge over and above communications. If the same provider hired a clearinghouse to handle the connectivity and distribution of its standard transactions, their clearinghouse could charge them a fee.

Providers are required to use HIPAA standard transactions, both content and format, whenever processing a covered transaction electronically. They can contract with a clearinghouse to facilitate that and can send their claim to the clearinghouse in any format and with any content the provider and clearinghouse agree to. The only thing mandated by HIPAA is that by the time the transaction reaches the payer (or payers translating clearinghouse), it has standard content and is in a standard format.

Nearly every clearinghouse I spoke to will be implementing 837, 835, 270/271, 276/277 and 278. Some will include 820 and 834.

***** [hipaalert] H I P A A L E R T - l i t e April 2, 2001

>>> <info@phoenixhealth.com> 04/02/01 07:04AM >>>

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H I P A A L E R T - l i t e

April 2, 2001

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H I P A A n e w s

SEC. THOMPSON CALLS CHANGES TO HIPAA PRIVACY LIKELY

While changes are likely, DHHS Secretary Thompson raised the possibility that the HIPAA Privacy rule would still become effective on April 14th, as scheduled, according to a report by Reuters Health.

<http://www.hipaadvisory.com/news/index.htm#changes0328>

HOUSE CONSIDERS NEW MEDICAL PRIVACY BILL

The Medical Information Protection and Research Enhancement bill was introduced on March 27th and is intended to ensure confidentiality with respect to medical records and health care-related information. The new privacy bill has been referred to various committees.

<http://www.hipaadvisory.com/news/2001/hr1215sum.htm>

MOODY'S: NOT-FOR-PROFIT HOSPITALS ABLE TO ABSORB HIPAA COSTS

Compliance costs associated with the HIPAA regulations will not have a significant adverse impact on not-for-profit hospitals or their A3 average rating, says Moody's Investors Service in a newly released special report.

<http://www.hipaadvisory.com/news/index.htm#moody0327>

AFEHCT (Association For Electronic Health Care Transactions) is assembling a briefing document to remind policy makers why the health care industry supported enactment of HIPAA's 'administrative simplification' provisions. AFEHCT needs anecdotal information about dollar savings and non-dollar payoffs from implementing the transaction standards. Articles, papers, citations would be greatly appreciated, ASAP.

E-mail Tom Gilligan at afehct@aol.com

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H I P A A l a t e s t

NEW IN HIPAATECH:

- What is P3P? (Platform for Privacy Preferences)
<http://www.hipaadvisory.com/tech/P3P.htm>

NEW IN HIPAAZINE

- How Secure Is Digital Hospital?
<http://www.hipaadvisory.com/news/hipaazine.htm#secure0328>

- Do medical privacy laws need to be rewritten?
<http://www.hipaadvisory.com/views/greenwood03.htm>

NEW IN CONFERENCE CALENDAR:

- HCCA Region 4 Third Annual
<http://www.hipaadvisory.com/news/calendar/may2001.htm#hcca0321>

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Our Other HIPAA resources:

Web site: <http://www.hipaadvisory.com>
Discussion List: <http://www.hipaadvisory.com/live/>
Weekly Awareness Note: <http://www.hipaadvisory.com/notes/>

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